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**SURFACE INSPECTION
COMPLIANCE REPORT**Date of Inspection: January 10, 2006Case Serial No.: UTU-075888Operator: Resource Design Solutions (RDS)Project Description: Mining GraniteLegal Description: SE¼ Sec. 35, T. 12 S., R. 7 W.Field Office: FillmoreInspector: Larry Garahana**REPORT NARRATIVE (REFERENCE STIPULATIONS BY NUMBER OR TITLE)**

This inspection was conducted with Tom Munson of DOGM in order to see if RDS had completed the agreed upon reclamation at their Desert Mountain operation.

As we proceeded to this site Tom informed me that he had spoken with Joe Dunlop of RDS and had given him until the 10th of January to complete the reclamation.

When we arrived at the site we noticed there had been no reclamation work completed, the site looked the same as it did when I last inspected it on Dec. 19th, other than they had done more quarrying.

We have given RDS several chances to comply with the mutually agreed upon decision, but it appears they aren't going to do what needs to be done. Tom said he wanted to contact RDS and see if we can work this out before we take further steps against them.

We'll continue to monitor the progress and report on what we find.

Signature of Inspector

Signature of Authorized Officer

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